

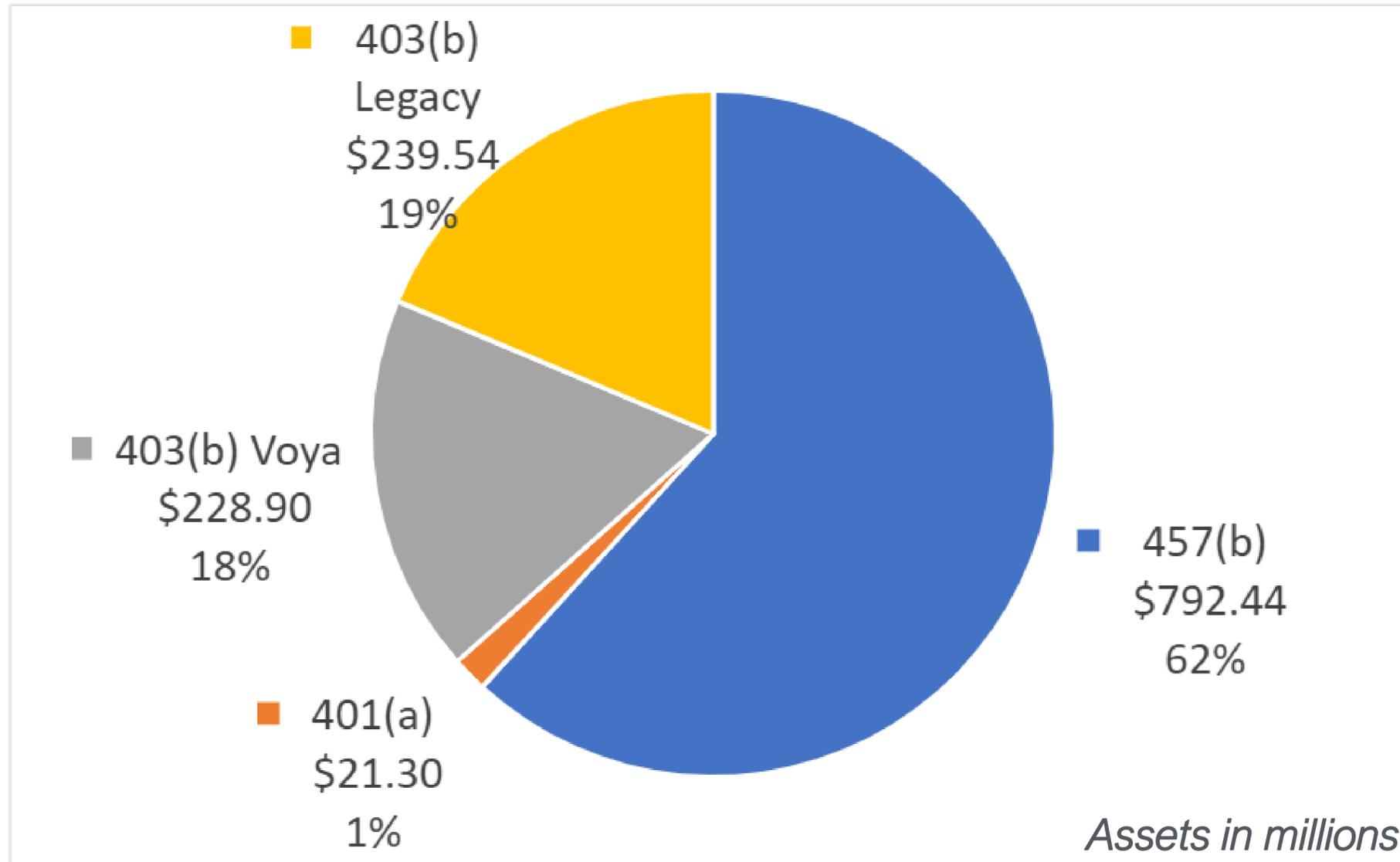
DEFERRED COMPENSATION PLANS

2022 Q4 BUSINESS UPDATE

PLANS MANAGEMENT BOARD

MARCH 2023 MEETING





Where the assets are invested:

Tier One – Target Date Series

- Default Option
- 71% of plan assets are in this tier (70% of contributions)
- 92% of participants invested in this tier

Tier Two- Core Fund Array

- 26% of plan assets
- 2% of total plan assets use the managed account services offered through Morningstar (527 participants)

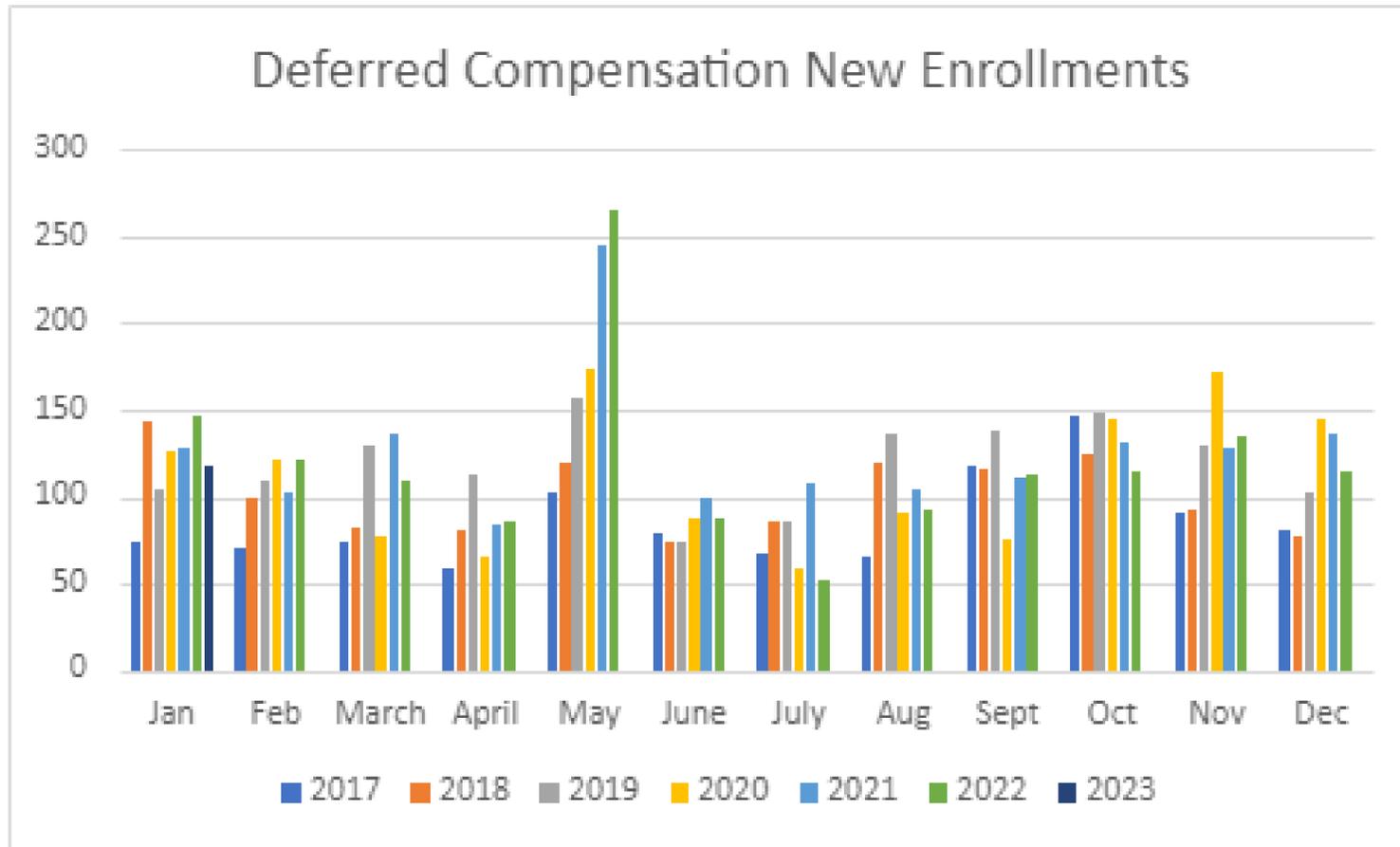
Tier Three- Self Directed Brokerage Account

- 3% of total plan assets
- 494 participants

***Assets invested on the Voya Platform as of 12.31.22 and Excludes the 403(b) Legacy assets**

Assets (MM)	2017	2018	2019	2020	2021	2022
457(b)	\$ 638.80	\$ 613.50	\$ 736.20	\$ 840.70	\$ 948.58	\$ 792.44
401(a)	\$ 22.20	\$ 20.20	\$ 22.90	\$ 25.00	\$ 26.58	\$ 21.30
403(b) Voya	\$ 80.60	\$ 99.60	\$ 146.30	\$ 195.50	\$ 249.09	\$ 228.90
Total on Voya Platform	\$ 741.60	\$ 733.30	\$ 905.40	\$ 1,061.20	\$ 1,224.25	\$ 1,042.64
403(b) Legacy	\$ 311.60	\$ 361.30	\$ 290.60	\$ 296.70	\$ 308.20	\$ 239.54

DEFERRED COMPENSATION PLANS– ENROLLMENTS

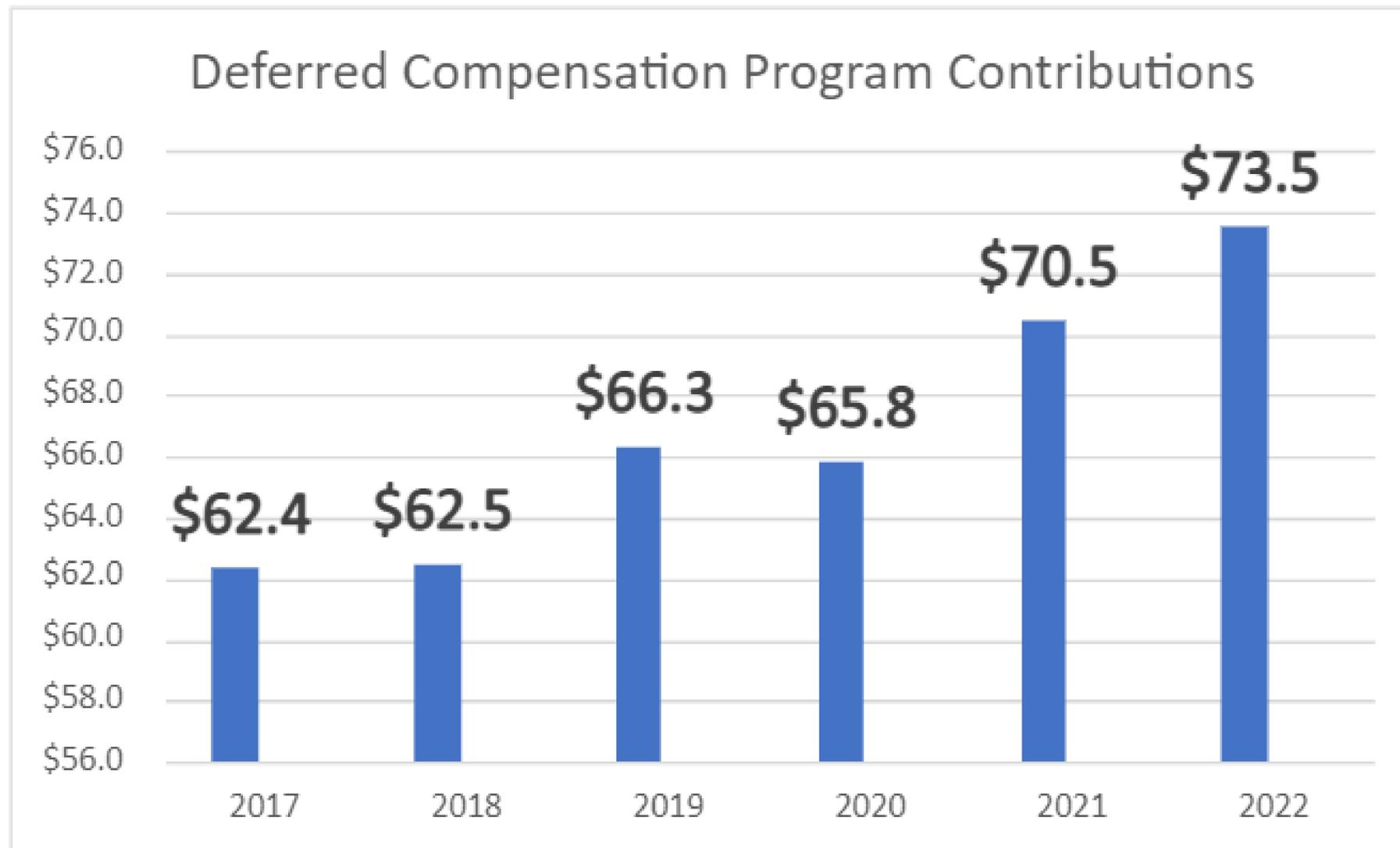


- **2022 ended with 6% less enrollments vs 2021**
- **May 2022 was a program record with 265 enrollments (open enrollment for state employees)**
- **2022 email blasts in February, May, October, and December**

Deferred Compensation New Enrollments

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YOY
2017	73	70	74	58	102	79	67	65	118	146	90	80	1,022	-
2018	143	100	83	80	120	73	85	119	116	125	93	77	1,214	16%
2019	105	109	130	112	156	74	85	137	139	149	129	102	1,427	15%
2020	127	122	77	65	173	87	58	90	76	145	172	145	1,337	-7%
2021	128	103	137	84	245	100	107	104	111	132	128	136	1,515	12%
2022	147	121	110	85	265	87	52	92	112	114	135	115	1,435	-6%
2023	117												117	





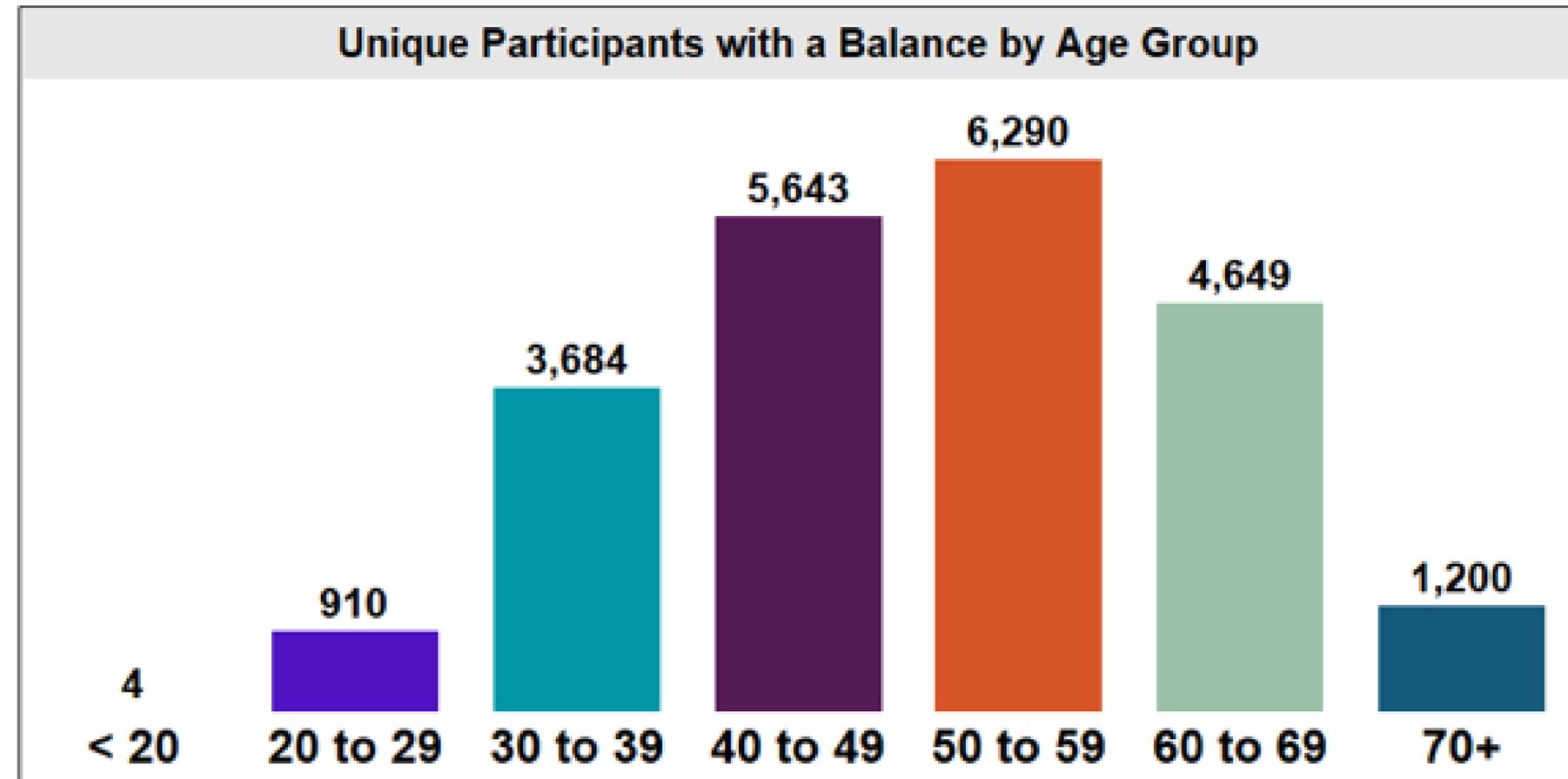
Contributions in millions

- Increase of employee requests for sick/vacation payouts in '21 and '22
- Increase in participating individuals in the program
- Average contribution per pay has increased since 2017

403b - **\$157** in 2017 to **\$171** in 2022
457b - **\$141** in 2017 to **\$165** in 2022

All Plans:

- Average Age: 52 years old
- Average Salary: \$62,000
- Average Balance: \$33,495
- Female 59%/ Male 41%



Opportunities:

- Increase the enrollment of younger employee segments
- Focus on the importance of savings in the female participant segment (average balance of \$30,343 vs male segment of \$37,980)

America Saves Week

Open Enrollment – May

Financial Wellness Webinars




FEBRUARY 27 - MARCH 3, 2023

A Message from Treasurer Colleen Davis



Greetings Fellow State Employees,
Today begins America Saves Week.

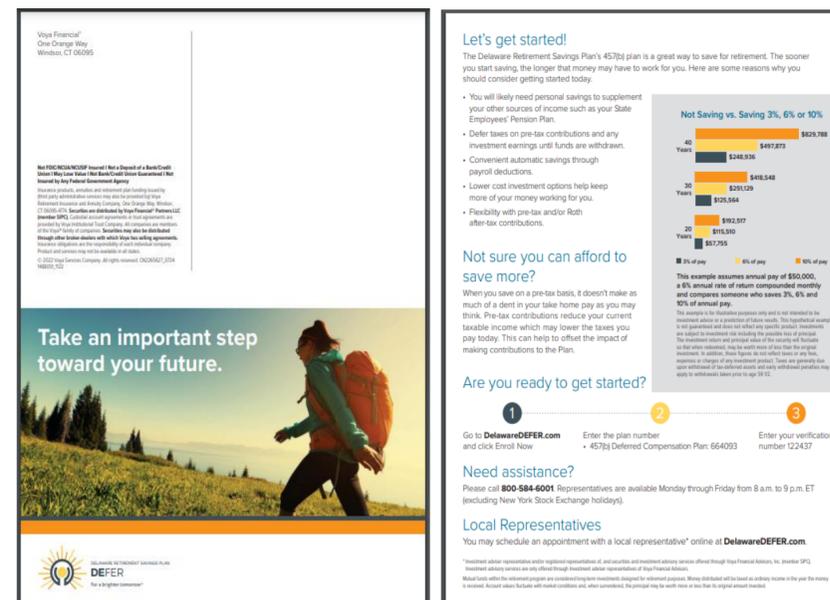
One of our office's main initiatives to ensure State of Delaware employees have a secure retirement and we are proud to administer the award-winning platform called **DEFER**.

DEFER offers works like a private sector 401k, allowing you to make contributions directly from your paycheck. It features low fees, easy to understand investments, and a monthly retirement income calculator that includes pension and social security estimates.

Enrolling in **DEFER** is easy and takes just minutes. Click [HERE](#) to get started.

Have questions about **DEFER**? Click [HERE](#) to schedule a no cost meeting with a **DEFER** plan representative.

Enrollment mailing



Let's get started!
The Delaware Retirement Savings Plan's 457(b) plan is a great way to save for retirement. The sooner you start saving, the longer that money may have to work for you. Here are some reasons why you should consider getting started today.

- You will likely need personal savings to supplement your other sources of income such as your State Employees' Pension Plan.
- Defer taxes on pre-tax contributions and any investment earnings until funds are withdrawn.
- Convenient automatic savings through payroll deductions.
- Lower cost investment options help keep more of your money working for you.
- Flexibility with pre-tax and/or Roth after-tax contributions.

Not sure you can afford to save more?
When you take on a pre-tax basis, it doesn't make as much of a dent in your take home pay as you may think. Pre-tax contributions reduce your current taxable income which may lower the taxes you pay today. This can help to offset the impact of making contributions to the Plan.

Are you ready to get started?

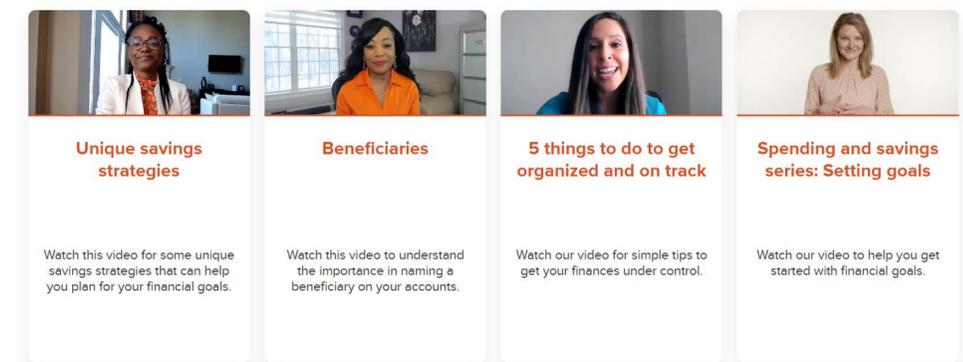
- Go to [DelawareDEFER.com](#) and click Enroll Now
- Enter the plan number - 457(b) Deferred Compensation Plan: 664093
- Enter your verification number: 12437

Need assistance?
Please call **800-584-6001**. Representatives are available Monday through Friday from 8 a.m. to 5 p.m. ET (excluding New York Stock Exchange holidays).

Local Representatives
You may schedule an appointment with a local representative* online at [DelawareDEFER.com](#).

*Members select representative under "registered representatives" and local and investment advisory services offered through Third Financial Advisors, Inc. (Member SFC). Investment advisory services are only offered through investment advisor representatives of Third Financial Advisors. Member SFC with the retirement program is considered to be an investment advisor. Money distributed will be based on ordinary income and the plan's money is invested. Actual returns include all fees and expenses. The principal goal for each step is to help you get started with your money.

Personal finance



- Unique savings strategies**
Watch this video for some unique savings strategies that can help you plan for your financial goals.
- Beneficiaries**
Watch this video to understand the importance in naming a beneficiary on your accounts.
- 5 things to do to get organized and on track**
Watch our video for simple tips to get your finances under control.
- Spending and savings series: Setting goals**
Watch our video to help you get started with financial goals.



APPENDIX





Program Summary:

The Delaware Retirement Savings Plans, also known as DEFER, exist to provide retirement security for State of Delaware employees. DEFER consists of the State’s 457(b) plan which is available to full time benefit eligible employees, the 403(b)-plan available to State education employees employed by public school districts, the DOE, and DTCC as well as DSU, and the 401(a)-match plan which is currently suspended. Employees voluntarily elect to have contributions deducted from their paycheck and deposited into a DEFER account. The current vendor for the plans is Voya Financial.

Objective One: Increase Participation

- Goal One:* Build Upon Enrollment Growth Momentum
- Goal Two:* Analyze the Opportunity to Allow Casual/Seasonal Employees to Contribute
- Goal Three:* Explore Auto-Enrollment Opportunities for Deferred Compensation Plans
- Goal Four:* Support Efforts to “Unfreeze” the 401(a) Match Plan

Objective Two: Review Investments and Grow Assets

- Goal One –* Review and Broaden Tier Two Core Investment Options
- Goal Two –* Explore Environmental, Social, and Governance (ESG) Investment Offering
- Goal Three –* Promote Account Consolidations
- Goal Four –* Investigate the Benefits of Offering Flat vs Percentage Based Deferrals

Objective Three: Enhance Plan Operations

- Goal One –* Improve Existing Internal Controls and Operating Efficiencies
- Goal Two –* Increase Beneficiary Designation Rate
- Goal Three –* Continue to Strengthen Oversight with Board and Committees
- Goal Four –* Enhance Retiree Experience

Focus Timeline

2021

- ✓ *Build on enrollment growth*
- ✓ *Promote account consolidations*
- ✓ *Increase beneficiary designation rate*
- ✓ *RFP for Plan*

2022

- ✓ *Improve existing controls*
- ✓ *Enhance retiree experience (SVD)*
- ✓ *Review and broaden Tier Two Investments*
- *Explore ESG investment offerings*
- *Flat vs fixed contribution research*
- ✓ *Oversight Fiduciary Training*

2023

- *Casual Seasonal Opportunity*
- *Auto-enrollment –Phase 1*
- *Improve existing controls*
- *Review Tier Two investments/ESG offering*

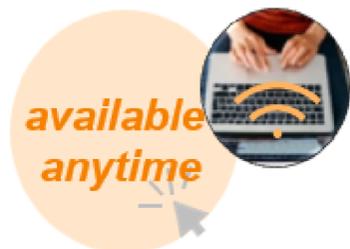
2024

- *Auto-enrollment*
- *Oversight Fiduciary Training*



2023 Calendar

	Q1	Q2	Q3	Q4
<p>Targeted campaigns</p> <ul style="list-style-type: none"> <input type="checkbox"/> e.g. Enrollment <input type="checkbox"/> e.g. Beneficiary <input type="checkbox"/> e.g. Consolidation 	-	Enrollment mailing	Rollover mailing Beneficiary mailing	Enrollment mailing
<p>Email blasts</p> <ul style="list-style-type: none"> <input type="checkbox"/> Up to 6 per year <input type="checkbox"/> Enrollment fairs, workshops <input type="checkbox"/> Events 	Feb	May	Aug	Oct Nov
<p>Always On Strategy</p>	Personalized Financial Wellness Messaging - Diversification - Restart - Save More - Beneficiary - Financial Wellness Engagement			
	Participant web messages			
	America Saves Week			
	National Retirement Security Month			
	Quarterly Statement Content			
	On	On	On	On
	On	On	On	On
	2/27 – 3/3	-	-	-
	-	-	-	October
	Tax time	<u>eDelivery</u>	Beneficiary	Tools & Resources



Always On Digital Resources

	myOrangeMoney® Web experience		Participant Content Hub Blog.voya.com		Personal Financial Dashboard
	Voya Retire mobile app		Financial Wellness Experience		IRS Limits Microsite
	Voya Learn: Live and On Demand		Voya Cares®		Roth Microsite

